

CITY OF GRAND RAPIDS

CITY COMMISSION POLICY 400-01

SUBJECT: INVESTMENT PROGRAM AND POLICY

PURPOSE: To establish prudent objectives for the City's investment program and delineate the practices used by the City to invest funds and control portfolio risks.

1. Investing to Encourage Community Lending, Banking, and Employment Practices: Bank investment options will be evaluated with regard to the efforts made by each financial institution in meeting certain community needs as defined by a four tier bonus basis points system. The City Treasurer will annually establish the specific total number of bonus basis points to be awarded in his/her annual report to the City Commission. The number of bonus basis points awarded established in the annual report may be adjusted at any time during the year by noting the revised bonus basis points award in a Fiscal Committee report submitted to the City Commission. The criteria and distribution whereby bonus basis points are awarded shall be as follows:
 - A. Community Reinvestment Act (CRA) rating of "outstanding" will provide for 40% of the total basis points to be awarded.
 - B. Financial institutions that show their commitment to the City's Sustainability Plan by employing Grand Rapids residents and/or residents of the General Target Area (GTA) shall be eligible for up to 20% of the total bonus basis points awarded based on criteria outlined in the Administrative Guidelines for the Investment Policy.
 - C. Financial institutions shall be eligible for up to 20% of the total bonus basis points awarded for engaging in the following practices:
 - (a) Participating in activities to discourage predatory lending;
 - (b) Making residential and commercial loans within the City of Grand Rapids General Target Area; and
 - (c) Establishing a physical presence within the City of Grand Rapids General Target Area.
 - D. Other innovative programs undertaken within the City of Grand Rapids may be eligible for up to 20% bonus basis points if they involve community education, community partnerships or community investments with community based agencies or non-profit organizations that serve low- or moderate-income households.

SECTION III: CRITERIA FOR BONUS BASIS POINTS AWARDS

3.1 CRITERIA

Bank investment options shall be evaluated with regard to the efforts made by each financial institution in meeting certain community needs as defined by a four tier bonus basis point system. The City Treasurer will annually establish the specific total number of bonus basis points to be awarded in an annual report to the City Commission. The number of bonus basis points established may be adjusted at any time during the year by noting the revised bonus basis points award in a Fiscal Committee report submitted to the City Commission.

Upon approval by the City Commission as a depository of City surplus funds, the financial institution shall execute a depository agreement and receive a copy of the Investment Policy and these Administrative Guidelines from the City Treasurer's Office. The criteria and distribution whereby bonus basis points are awarded shall be as follows:

A. COMMUNITY REINVESTMENT ACT

1. In August of each year, the City Treasurer's Office will review the CRA ratings of all financial institutions with which the City deposits surplus funds. The information will be obtained from the appropriate federal regulating agency.
2. Community Reinvestment Act (CRA) of "outstanding" will provide for 40% of the total basis points to be awarded.
3. The City Treasurer's office shall notify the financial institution of the decision to award bonus basis points within ten (10) calendar days of making a determination.
4. A financial institution may at any time notify the City Treasurer's Office that its CRA rating has been changed to outstanding. The institution will then be awarded the 40% total bonus basis points upon confirmation of the new CRA rating.

B. LOCAL WORKFORCE EMPLOYMENT

Financial institutions that show their commitment to the City's Sustainability Plan by employing Grand Rapids residents and/or residents of the City of Grand Rapids GTA shall be eligible for up to 20% of the total bonus basis points awarded.

1. Financial institutions shall be awarded up to one half the bonus basis points (10%) in this category in 1% increments for each percentage of their workforce in the Grand Rapids MSA who are residents of the City of Grand Rapids.

2. Financial institutions shall be awarded up to one half the bonus basis points (10%) in this category in 1% increments for each percentage of their workforce who are residents of the City of Grand Rapids GTA.
3. Financial institutions seeking to obtain bonus basis points for local workforce employment must provide the following:
 - (a) A copy of their current Contract Compliance Report form EEO 201 and any substantiation required to verify residency; or
 - (b) Any other documentation that would meet the requirements of 3(a) above.
4. The Equal Opportunity Department shall review and determine the appropriate bonus basis points to be awarded. This information will be forwarded to both the City Treasurer and the financial institution within ten (10) calendar days of making a determination.

C. EQUITABLE LENDING PRACTICES

1. Financial institutions shall be eligible for up to 20% bonus basis points awarded for engaging in the following practices:
 - (a) Participating in activities to discourage predatory lending;
 - (b) Making residential and commercial loans within the City of Grand Rapids GTA; and
 - (c) Establishing a physical presence within the City of Grand Rapids GTA.
2. Financial institutions shall document their evidence of equitable lending practices by completing Section A of the Request for Bonus Basis Points Form (attached) which request the following documentation:
 - (a) A list of activities undertaken to discourage predatory lending;
 - (b) Documentation of residential and commercial loans made within the City of Grand Rapids GTA in the preceding twelve (12) months; and
 - (c) A list of the type and addresses of facilities (i.e. branch locations) located within the City of Grand Rapids GTA.
3. The Community Relations Commission shall review any financial institution's request to receive bonus basis points under Equitable Lending Practices at a special meeting where the financial institution shall have the opportunity to make a presentation. Such a review must demonstrate that the financial institution has undertaken the initiatives during the previous twelve months.
4. The Community Relations Commission shall notify the financial institution of its decision and submit the same to the City Treasurer's Office within ten (10) calendar days of making a determination.

D. OTHER INNOVATIVE PROGRAMS

1. Other innovative programs undertaken within the City of Grand Rapids may be eligible for up to 20% bonus basis points if they involve community education, community partnerships or community investments with community based agencies or non-profit organizations that serve low to moderate-income households.
2. Financial institutions must complete a Request for Bonus Basis Points form (Attached). This form, along with any other documentation, must be returned to the Equal Opportunity Department in order for the request for bonus basis points to be processed.
3. The Community Relations Commission shall review any financial institution's request to receive bonus basis points under Innovative Programs at a special meeting where the financial institution shall have the opportunity to make a presentation. Such a review must demonstrate that the initiatives were undertaken during the preceding twelve months.
4. The Community Relations Commission shall notify the financial institution of its decision and submit the same to the City Treasurer's Office within ten (10) calendar days of making a determination.

CITY OF GRAND RAPIDS
CITY COMMISSION POLICY 600-10

SUBJECT: CONTRACT COMPLIANCE

PURPOSE: The purpose of this policy is to promote equal opportunity and non-discriminatory employment practices of firms doing business with the City of Grand Rapids.

POLICY:

It is the policy of the City of Grand Rapids to promote equal employment opportunity and non-discrimination in its contracting and procurement practices by requiring compliance with this policy by:

- (a) firms wishing to do business with the City of Grand Rapids on projects, purchases, or services of \$10,000 or more, and
- (b) firms that have received at least \$10,000 in City business during the preceding twelve-month period without regard to whether or not a bidding process was involved.

The City Manager shall promulgate Administrative Guidelines detailing the components and requirements of this policy.

1. All department requests for bids on projects, purchases, or services, as well as contracts and purchase orders, the cost of which is projected to be \$10,000 or more, shall include the equal employment opportunity and non-discrimination clause in accordance with this policy.
2. Firms described in (a) or (b) above shall demonstrate their commitment to equal employment opportunity and non-discrimination under this Policy by submitting either their initial or annual compliance review as outlined in the Administrative Guidelines for Contract Compliance.
3. The Equal Opportunity Department shall prepare and present an annual report to the City Manager and City Commission on the Contract Compliance Program. The report shall include but not be limited to an analysis of certification levels of vendors and contractors and an analysis of expenditures.
4. The City hereby reserves the right to refuse to accept a bid, to refuse to award a contract, and/or to terminate any bid or contract attempted to be secured, or secured in violation of this policy.

SECTION III: CONTRACT COMPLIANCE CERTIFICATION AND REVIEW PROCESS

3.1 Firms Seeking Certification under City Commission Policy 600-10

A. Who must certify:

1. All bidders for City projects, purchases, or services in the amount of \$10,000 or more shall comply with these Administrative Guidelines prior to the bid opening.
2. All vendors who receive contract(s) from the City of Grand Rapids over \$10,000 or receive contracts cumulative to or over \$10,000 shall maintain compliance with this policy, including the periodic reporting requirements, for the duration of the contract(s).

B. Compliance List:

The City shall compile and maintain a list of those firms that have complied with the reporting requirements pursuant to these Guidelines. The list will be revised and issued on the first day of every month.

C. Certification Levels

The certification levels of the Contract Compliance Program are designed to incentivize firms to support the City's achievement of the outcomes outlined in the Sustainability Plan. Firms must submit, prior to bid opening, a completed Contract Compliance Report including Forms EEO 200, EEO 201 – Sections 1 and 2, and EEO 202.

1. Level 1 (Required):

Firms completing and submitting a Contract Compliance Report shall be determined to be in contract compliance, placed on the City's Compliance List and certified at Level 1. All firms wishing to do business with the City of Grand Rapids must be certified at Level 1.

2. Level 2 (Optional):

In addition to meeting the Level 1 requirements, firms demonstrating (providing document of residential employment) that they employ residents of the City of Grand Rapids at 24% or higher of their total workforce will be certified at Level 2 and shall be determined to be in compliance with these Administrative Guidelines.

3. Level 3 (Optional):

In addition to meeting the Level 2 requirements, firms demonstrating (providing document of residential employment) that they employ residents of the City of Grand Rapids at 24% or higher of their total workforce and employ residents of the City's General Target Area (GTA) at 50% of the firm's Grand Rapids residential employment will be certified at Level 3 and shall be determined to be in compliance with these Administrative Guidelines..

D. Reporting and Review Process

1. Initial Report:

Firms who have not previously done business with the City, or who have not done business in the amount of \$10,000 or more must complete a Contract Compliance Report (Forms EEO 200, EEO 201, and EEO 202) in order to be considered responsive bidders and be placed on the Compliance List. The Equal Opportunity Department will review and analyze the data contained on the firm's Contract Compliance Report to determine the appropriate level of certification as outlined in Section 3.4 of these Guidelines. Firms completing the Contract Compliance Report will be notified by the Equal Opportunity Department of their certification level.

2. Period Compliance Reviews:

The purpose of the compliance review process shall be to monitor workforce changes and to assure that the firm is maintaining their workforce composition as reported in their initial Contract Compliance Report. Initial certification levels will determine when compliance review reporting is required.

Certification Level	Review Period
1	Annually (Every year)
2	Biannually (Every 2 years)
3	Triennially (Every 3 years)